GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3765
ANSWERED ON:02.12.2010
MOU BETWEEN IFFCO AND SENEGAL GOVERNMENT
Dashmunsi Deepa

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Indian Farmers Fertilizer Cooperative Ltd. (IFFCO) has signed any Memorandum of Understanding with the Senegal Government for reviving the phosphoric acid plant in Senegal;

(b) if so, the details alongwith the terms and conditions of the said MoU; and

(c) the investment likely to be made by IFFCO to raise the production and restructuring of Industries Chimiques du Senegal (ICS)?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) Yes, Madam.

(b) IFFCO signed Shareholders` Agreement on 16th July, 2007 followed by an amendment on 14th July, 2008 with the Government of Senegal for revival of a company namely `Industries Chimiques du Senegal (ICS)`. Major provisions of this Agreement are:

IFFCO to form a Consortium for financial restructuring and recapitalization of ICS.
Rescheduling of existing debt of ICS and recapitalization by fresh equity injection by IFFCO Consortium.
IFFCO Consortium to take over the management and operational control of ICS.
Rehabilitation of plant and machinery of Phosphoric Acid Plant with a view to increase the production to optimum level and near full capacity.

(c) IFFCO Consortium has injected a fresh equity of US $ 108 million in ICS in April, 2008.